



Texas Department of Insurance

Division of Workers' Compensation

Medical Fee Dispute Resolution, MS-48

7551 Metro Center Drive, Suite 100 • Austin, Texas 78744-1645

512-804-4000 telephone • 512-804-4811 fax • www.tdi.texas.gov

MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION

GENERAL INFORMATION

Requestor Name

Wolmed Back and Neck Ctr

Respondent Name

American Guarantee & Liability

MFDR Tracking Number

M4-14-1400-01

Carrier's Austin Representative

Box Number 19

MFDR Date Received

January 21, 2014

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "Genex preauthorization #1000987576 issued only indicated 12 visits were certified. No indication units requested were reduced."

Amount in Dispute: \$691.32

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "This is a network claim."

Response Submitted by: Liberty Mutual

SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
January 23 – 30, 2013	97110	\$691.32	\$555.60

FINDINGS AND DECISION

This medical fee dispute is decided pursuant to Texas Labor Code §413.031 and all applicable, adopted rules of the Texas Department of Insurance, Division of Workers' Compensation.

Background

1. 28 Texas Administrative Code §133.307 sets out the procedures for resolving medical fee disputes.
2. 28 Texas Administrative Code §134.203 sets out the reimbursement guidelines for professional medical services.
3. The services in dispute were reduced/denied by the respondent with the following reason codes:
 - W1 – Workers Compensation State fee schedule adjustment
 - 119 – Benefit maximum for this time period or occurrence has been reached
 - 168 – Billed charge is greater than maximum unit value or daily maximum allowance for physical therapy/physical medicine services
 - 309 – The charge for this procedure exceeds the fee schedule allowance

Issues

1. Did the requestor support additional payment is due?

2. Is the requestor entitled to reimbursement?

Findings

1. The respondent states, "This is a network claim" in their response. Review of TX Comp system and all explanation of benefits found nothing to support this being a network claim. The respondent's statement is not supported.
2. The carrier denied the disputed services as, 168 – "Billed charge is greater than maximum unit value or daily maximum allowance for physical therapy/physical medicine services." 28 Texas Administrative Code §134.203 (b) states, "For coding, billing, reporting, and reimbursement of professional medical services, Texas workers' compensation system participants shall apply the following: (1) Medicare payment policies, including its coding; billing; correct coding initiatives (CCI) edits; modifiers; bonus payments for health professional shortage areas (HPSAs) and physician scarcity areas (PSAs); and other payment policies in effect on the date a service is provided with any additions or exceptions in the rules. Review of submitted code 97110, finds no Medically Unlikely Edits (MUE) or other indicators to indicate a limit on number of units allowed at any one time. Furthermore, the request for authorization did specify the number of units per visit while the authorization did not specify a specific amount. The carrier's denial is not supported. The disputed charges will be reviewed per applicable rules and fee guidelines.
 - Procedure code 97110, service date January 23, 2013, represents a professional service with reimbursement determined per §134.203(c). The Medicare fee is the sum of the geographically adjusted work, practice expense and malpractice values multiplied by the conversion factor. The MAR is calculated by substituting the Division conversion factor. For this procedure, the relative value (RVU) for work of 0.45 multiplied by the geographic practice cost index (GPCI) for work of 1 is 0.45. The practice expense (PE) RVU of 0.48 multiplied by the PE GPCI of 0.912 is 0.43776. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.809 is 0.00809. The sum of 0.89585 is multiplied by the Division conversion factor of \$55.30 for a MAR of \$49.54. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is subject to 20% reduction of the practice expense component. This procedure does not have the highest PE for this date. The PE reduced rate is \$44.70 at 4 units is \$178.80.
 - Procedure code 97110, service date January 25, 2013, represents a professional service with reimbursement determined per §134.203(c). The Medicare fee is the sum of the geographically adjusted work, practice expense and malpractice values multiplied by the conversion factor. The MAR is calculated by substituting the Division conversion factor. For this procedure, the relative value (RVU) for work of 0.45 multiplied by the geographic practice cost index (GPCI) for work of 1 is 0.45. The practice expense (PE) RVU of 0.48 multiplied by the PE GPCI of 0.912 is 0.43776. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.809 is 0.00809. The sum of 0.89585 is multiplied by the Division conversion factor of \$55.30 for a MAR of \$49.54. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is subject to 20% reduction of the practice expense component. This procedure does not have the highest PE for this date. The PE reduced rate is \$44.70 at 4 units is \$178.80.
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 - Procedure code 97110, service date January 30, 2013, represents a professional service with reimbursement determined per §134.203(c). The Medicare fee is the sum of the geographically adjusted work, practice expense and malpractice values multiplied by the conversion factor. The MAR is calculated by substituting the Division conversion factor. For this procedure, the relative value (RVU) for work of 0.45 multiplied by the geographic practice cost index (GPCI) for work of 1 is 0.45. The practice expense (PE) RVU of 0.48 multiplied by the PE GPCI of 0.912 is 0.43776. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.809 is 0.00809. The sum of 0.89585 is multiplied by the Division conversion factor of \$55.30 for a MAR of \$49.54. Per Medicare policy,

when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is subject to 20% reduction of the practice expense component. This procedure does not have the highest PE for this date. The PE reduced rate is \$44.70 at 4 units is \$178.80.

- Procedure code 97530, service date January 23, 2013, represents a professional service with reimbursement determined per §134.203(c). The Medicare fee is the sum of the geographically adjusted work, practice expense and malpractice values multiplied by the conversion factor. The MAR is calculated by substituting the Division conversion factor. For this procedure, the relative value (RVU) for work of 0.44 multiplied by the geographic practice cost index (GPCI) for work of 1 is 0.44. The practice expense (PE) RVU of 0.58 multiplied by the PE GPCI of 0.912 is 0.52896. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.809 is 0.00809. The sum of 0.97705 is multiplied by the Division conversion factor of \$55.30 for a MAR of \$54.03. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is subject to 20% reduction of the practice expense component. This procedure has the highest PE for this date. The first unit is paid at \$54.03. The PE reduced rate is \$48.18 at 3 units is \$144.54. The total is \$198.57.
 - Procedure code 97530, service date January 25, 2013, represents a professional service with reimbursement determined per §134.203(c). The Medicare fee is the sum of the geographically adjusted work, practice expense and malpractice values multiplied by the conversion factor. The MAR is calculated by substituting the Division conversion factor. For this procedure, the relative value (RVU) for work of 0.44 multiplied by the geographic practice cost index (GPCI) for work of 1 is 0.44. The practice expense (PE) RVU of 0.58 multiplied by the PE GPCI of 0.912 is 0.52896. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.809 is 0.00809. The sum of 0.97705 is multiplied by the Division conversion factor of \$55.30 for a MAR of \$54.03. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is subject to 20% reduction of the practice expense component. This procedure has the highest PE for this date. The first unit is paid at \$54.03. The PE reduced rate is \$48.18 at 3 units is \$144.54. The total is \$198.57.
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 - Procedure code 97530, service date January 30, 2013, represents a professional service with reimbursement determined per §134.203(c). The Medicare fee is the sum of the geographically adjusted work, practice expense and malpractice values multiplied by the conversion factor. The MAR is calculated by substituting the Division conversion factor. For this procedure, the relative value (RVU) for work of 0.44 multiplied by the geographic practice cost index (GPCI) for work of 1 is 0.44. The practice expense (PE) RVU of 0.58 multiplied by the PE GPCI of 0.912 is 0.52896. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.809 is 0.00809. The sum of 0.97705 is multiplied by the Division conversion factor of \$55.30 for a MAR of \$54.03. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is subject to 20% reduction of the practice expense component. This procedure has the highest PE for this date. The first unit is paid at \$54.03. The PE reduced rate is \$48.18 at 3 units is \$144.54. The total is \$198.57.
3. The total allowable reimbursement for the services in dispute is \$1,420.08. This amount less the amount previously paid by the insurance carrier of \$864.48 leaves an amount due to the requestor of \$555.60. This amount is recommended.

Conclusion

For the reasons stated above, the Division finds that the requestor has established that additional reimbursement is due. As a result, the amount ordered is \$555.60.

ORDER

Based upon the documentation submitted by the parties and in accordance with the provisions of Texas Labor Code Sections 413.031 and 413.019 (if applicable), the Division has determined that the requestor is entitled to additional reimbursement for the services involved in this dispute. The Division hereby ORDERS the respondent to remit to the requestor the amount of \$555.60 plus applicable accrued interest per 28 Texas Administrative Code §134.130 due within 30 days of receipt of this Order.

Authorized Signature

_____	_____	October 8, 2014
Signature	Medical Fee Dispute Resolution Officer	Date

YOUR RIGHT TO APPEAL

Either party to this medical fee dispute has a right to seek review of this decision in accordance with 28 Texas Administrative Code §133.307, effective May 31, 2012, *37 Texas Register 3833*, **applicable to disputes filed on or after June 1, 2012**.

A party seeking review must submit a **Request to Schedule a Benefit Review Conference to Appeal a Medical Fee Dispute Decision** (form **DWC045M**) in accordance with the instructions on the form. The request must be received by the Division within **twenty** days of your receipt of this decision. The request may be faxed, mailed or personally delivered to the Division using the contact information listed on the form or to the field office handling the claim.

The party seeking review of the MDR decision shall deliver a copy of the request to all other parties involved in the dispute at the same time the request is filed with the Division. **Please include a copy of the *Medical Fee Dispute Resolution Findings and Decision*** together with any other required information specified in 28 Texas Administrative Code §141.1(d).

Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 512-804-4812.